



The Personal Care Option Program Update

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PCO Program Background

- ◆ New Mexico Medicaid's Personal Care Option (PCO) program began in 1999.
- ◆ At that time, HSD estimated total enrollment in the program would be 1800.
- ◆ In SFY11, nearly 17,300 persons accessed PCO services. Of these, 700 were on the Coordination of Long Term Services (CoLTS) "c" waiver. The rest were Medicaid eligible and not in a waiver program.



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PCO Program Background

- ◆ PCO is a “state plan” service.
- ◆ This means that:
 - a Medicaid enrollee who meets the criteria for receiving PCO services can get those services; and
 - the Medicaid program cannot limit the number of persons who can get PCO services.
- ◆ In “c” waiver programs, states are allowed to cap the number of enrollees in the program.



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PCO Program Services

- ◆ Persons who qualify for nursing home level of care qualify for PCO services.
- ◆ To qualify for nursing home level of care, a person is unable to perform at least two activities of daily living (ADLs) without assistance
- ◆ Like the CoLTS “c” waiver and the Developmental Disability (DD) waiver, PCO was designed to help people stay in the community rather than go to a nursing home



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PCO Program Services



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PCO Program Today

- ◆ We continue to see significant growth in the utilization of PCO services in CoLTS.
- ◆ PCO services are the main cost driver in the CoLTS program.
- ◆ We had to slow the growth in the costs of the PCO program.

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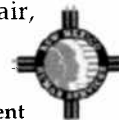
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PCO Program Today

- ◆ To reduce the costs of the PCO program while preserving the benefits of the program, HSD implemented a series of changes to the program's regulations over the past year. Significant changes are:

- ◆ September 2010:

- Required the MCOs to identify "natural supports" when assessing PCO consumers.
- Required the Managed Care Organizations (MCOs) to assess services for two PCO consumers who share a home as a pair, when appropriate, not individually.



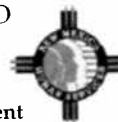
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PCO Program Today

- ◆ December 2010:

- Clarified language that duplicative PCO services are not allowed for individuals receiving the same or similar services by other sources including natural supports.
- Combined some services from "stand alone" to included in other services. For example: cognitive assistance went from a separate service to being combined as a part of other services.
- Reduced the amount of temporary authorization hours.
- Added the PCO Service Guide which is a narrative/worksheet that establishes service time ranges related to a PCO recipient's assessed function level. The Guide helps to ensure a more standard and accurate service time determination for PCO recipients.



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PCO Program Today

◆ September 2011:

- Revised the PCO Service Guide. The new Guide joined ten PCO services into six (6) and helps the assessor to determine service time ranges for each PCO service. No services were eliminated but reduced service hours could be a result.
- Added language that allows the MCOs to exceed service guide time ranges when medically and/or clinically necessary.
- Based on comments received, a requirement was added for MCOs to conduct a "pre-hearing conference" when a fair hearing has been requested. The MCO will use the pre-hearing conference to explain how the PCO regs were applied and explore whether additional service time is necessary based on medical verification of need.



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PCO Program Today

- ◆ HSD believes that the regulation changes will reduce unnecessary utilization of PCO services and still provide the services that PCO consumers need.
- ◆ The regulation changes could reduce service hours for PCO consumers.
- ◆ The regulation changes will reduce the costs of the PCO program while members still receive sufficient service hours.



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PCO Program in the Future

- ◆ No current plans for further regulation changes
- ◆ PCO is a valuable and important program and has a place in the modernized Medicaid program that HSD is working on.



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